



Council of the  
European Union

Brussels, 2 July 2021  
(OR. en)

10423/21

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**Interinstitutional File:  
2021/0193(BUD)**

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FIN 554

**COVER NOTE**

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From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	2 July 2021
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2021) 444 final
Subject:	Draft amending budget No 4 to the general budget for 2021: Update of revenue following the entry into force on 1 June 2021 of Council Decision (EU, Euratom) 2020/2053 on the system of own resources of the European Union, the revised forecast of own resources and other revenue

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Delegations will find attached document COM(2021) 444 final.

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Encl.: COM(2021) 444 final



Brussels, 2.7.2021  
COM(2021) 444 final

2021/0193 (BUD)

**DRAFT AMENDING BUDGET No 4  
TO THE GENERAL BUDGET 2021**

**Update of revenue following the entry into force on 1 June 2021 of Council Decision (EU, Euratom) 2020/2053 on the system of own resources of the European Union, the revised forecast of own resources and other revenue**

Having regard to:

- the Treaty on the Functioning of the European Union, and in particular Article 314 thereof, in conjunction with the Treaty establishing the European Atomic Energy Community, and in particular Article 106a thereof,
- Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources of the European Union<sup>1</sup>, entered into force on 1 June 2021,
- Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union (...)<sup>2</sup>, and in particular Article 44 thereof,
- the general budget of the European Union for the financial year 2021, as adopted on 18 December 2020<sup>3</sup>,
- amending budget No<sup>o</sup>1/2021<sup>4</sup>, adopted on 18 May 2021,
- draft amending budget No<sup>o</sup>1/2021<sup>5</sup>, adopted on 22 January 2021,
- draft amending budget No<sup>o</sup>3/2021<sup>6</sup>, adopted on 15 April 2021,

The European Commission hereby presents to the European Parliament and to the Council Draft Amending Budget No<sup>o</sup>4/2021 to the 2021 budget.

### **CHANGES TO THE STATEMENT OF REVENUE BY SECTION**

The changes to the general statement of revenue and in section III are available on EUR-Lex (<https://eur-lex.europa.eu/budget/www/index-en.htm>).

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<sup>1</sup> Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources of the European Union and repealing Decision 2014/335/EU, Euratom, OJ L 424, 15.12.2020.

<sup>2</sup> OJ L 193, 30.7.2018.

<sup>3</sup> OJ L 93, 17.3.2021.

<sup>4</sup> OJ L XXX, XX.X.2020.

<sup>5</sup> COM(2021) 30 final.

<sup>6</sup> COM(2021) 270 final.

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## EXPLANATORY MEMORANDUM

### 1. INTRODUCTION

The purpose of Draft Amending Budget (DAB) No 4 for the year 2021 is to update the revenue side of the budget to take account of the latest developments:

- the entry into force on 1 June 2021 of Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources of the European Union (hereafter, ORD 2020), applicable from 1 January 2021;
- the updated own resources forecasts for the 2021 budget agreed by the Advisory Committee on Own Resources (ACOR) on 26 May 2021. This update is typically presented shortly after the ACOR forecast meeting, in line with the Member States' expectations that the ACOR updates are budgeted as soon as possible;
- to update other revenues such as the United Kingdom contribution, fines and other.

The present DAB covers the adjustments for 2021 related to the new provisions introduced by the ORD 2020.

As ORD 2020 applies from 1 January 2021, the amounts that Member States should have made available for the year 2021 according to ORD 2020 are compared with the amounts that have already been made available for 2021 based on the previous Own Resources Decision 2014/335/EU, Euratom<sup>7</sup> (hereafter, ORD 2014). The calculation is based on the latest available forecast for 2021, which was agreed by the Member States in the 181<sup>st</sup> meeting of the ACOR on 26 May 2021.

The main changes introduced by ORD 2020 are:

- the increased own resources ceilings;
- an increased rate of collection costs for customs duties for the Member States (25 % instead of 20 % under ORD 2014);
- a uniform VAT call rate without exception and a simplified definition of the VAT base;
- a new own resource based on non-recycled plastic packaging waste; and
- modified gross reductions in the Gross National Income (GNI)-based own resource for Denmark, Germany, the Netherlands, Austria and Sweden.

#### *Change of own resources ceilings*

The budget is financed by own resources and other revenue. The overall amount of own resources needed to finance the budget is determined by the amount of total expenditure minus other revenue.

The ORD 2020 sets the overall ceiling for own resources in 2021 at 1,40% of the total EU GNI and the maximum amount for commitments at 1,46% of EU GNI. Both ceilings are temporarily increased by 0,6 percentage points to cover all liabilities of the Union resulting from the borrowing for NextGenerationEU until all such liabilities have ceased to exist, and at the latest by 31 December 2058.

The total amount of own resources (Title 1 in the revenue part of the budget) needed to finance the appropriations for payments in the Budget 2021 is the equivalent of 1,13 % of the EU GNI. It is almost exclusively related to the financing of expenditure counted against the permanent ceiling for own resources of 1,40% EU GNI, leaving a margin of 0,27% EU GNI. The amount of own resources

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<sup>7</sup> Council Decision 2014/335/EU, Euratom of 26 May 2014 on the system of own resources of the European Union (OJ L 168, 7.6.2014, p. 105),

for financing liabilities stemming from NextGenerationEU and counted against the temporary increase of 0,6% EU GNI is marginal in 2021 (i.e. less than 0,0003% EU GNI).

## 2. UPDATE OF REVENUE

### 2.1 Overall impact of DAB 4/2021 on the distribution of total own resources payments between Member States

The revised forecasts for 2021 agreed in the 181<sup>st</sup> ACOR meeting on 26 May 2021 are based on ORD 2020. The following adjustments of the revenue side of the budget are required:

- an update of the estimates for Traditional Own Resources (TOR) as well as for the own resources based on the Value Added Tax (VAT) and Gross National Income (GNI), to take account of more recent economic forecasts and new provisions in ORD 2020;
- the introduction of a new own resource based on non-recycled plastic packaging waste; and
- the introduction of the gross reductions in the annual GNI-based contributions for Denmark, Germany, the Netherlands, Austria and Sweden.

These adjustments are presented in sections 2.2-2.5.

Moreover, the amount of other revenues is updated to take into account the revised United Kingdom contribution, definitely cashed fines and penalty payments until June 2021, and the contribution from the European Coal and Steel Community in relation to the reimbursement of the United Kingdom's share of the net assets to the United Kingdom (see sections 2.7, 2.8 and 2.9 respectively).

The overall impact of all the revenue adjustments of this DAB is shown in the summary table below. This table also shows the distribution of total own resources payments between Member States: as budgeted in the Budget 2021, as included in Draft Amending Budget No 3 (DAB 3/2021)<sup>8</sup>, and finally as included in this DAB 4/2021.

#### Distribution of total own resources payments by Member States (in million EUR)

	Budget 2021	DAB 3/2021	DAB 4/2021
	(1)	(2)	(3)
<b>BE</b>	6 898,2	6 993,0	6 941,8
<b>BG</b>	704,8	716,8	770,3
<b>CZ</b>	2 290,3	2 329,7	2 509,3
<b>DK</b>	3 482,3	3 544,9	3 432,8
<b>DE</b>	39 776,9	40 483,3	38 000,1
<b>EE</b>	323,4	328,9	348,1
<b>IE</b>	2 847,4	2 899,4	3 282,9
<b>EL</b>	2 044,5	2 080,0	2 019,7
<b>ES</b>	13 629,4	13 868,2	14 255,2
<b>FR</b>	26 783,9	27 272,1	28 413,5
<b>HR</b>	566,5	576,6	608,0
<b>IT</b>	19 086,3	19 430,0	20 090,4
<b>CY</b>	239,9	244,0	250,6

<sup>8</sup> COM(2021) 270 final, 15.4.2021

LV	348,7	354,8	368,1
LT	580,6	590,1	612,8
LU	486,5	495,5	482,9
HU	1 526,0	1 552,3	1 756,0
MT	142,2	144,6	149,3
NL	10 552,0	10 708,0	9 858,9
AT	4 240,5	4 319,0	3 817,2
PL	5 821,2	5 917,8	6 609,1
PT	2 325,1	2 365,9	2 530,0
RO	2 355,9	2 399,1	2 596,4
SI	572,8	582,2	584,0
SK	1 017,7	1 036,3	1 070,9
FI	2 552,7	2 599,7	2 734,7
SE	5 173,5	5 265,9	4 985,1
<b>EU</b>	<b>156 369,2</b>	<b>159 098,1</b>	<b>159 078,1</b>
UK	498,0	498,0	462,2
<b>EU + UK</b>	<b>156 867,4</b>	<b>159 596,2</b>	<b>159 540,3</b>

## 2.2 Revision of the forecasts of TOR, VAT and GNI bases

In line with Article 44(1)(b) of the financial regulation<sup>9</sup>, the Commission proposes to revise the financing of the budget on the basis of more recent economic forecasts. According to the established practice, the revised revenue forecasts is agreed with the Member States in the ACOR forecast procedure. In addition, this year the revision also takes into account the entry into force on 1 June 2021 of ORD 2020, applicable from 1 January 2021.

The revision concerns the forecast of TOR to be paid to the budget in 2021 as well as the forecast of the 2021 VAT and GNI bases. The forecast in the Budget 2021 was agreed in the 178<sup>th</sup> ACOR meeting, which was held in written procedure from 19-25 May 2020. The revision in the present DAB 4/2021 takes into account the agreed forecasts of the 181<sup>st</sup> ACOR meeting based on ORD 2020. The use of an updated forecast of own resources improves the accuracy of the revenue forecasts and hence of the payments that Member States are asked to make to the EU budget during the budgetary year.

The Commission's revenue projections are based on the Commission 2021 Spring economic forecast<sup>10</sup>, which predicts that the EU economy will return to its pre-crisis level by the end of 2022. After the historic downturn in the first part of 2020 and another setback in late 2020, the pandemic is still setting the course for 2021-2022. However, the recovery is already underway. As containment measures are gradually relaxed as vaccinations are progressing, economic activity is set to accelerate in the third quarter and to remain solid in the last quarter of 2021. All in all, the EU economy is forecast to grow by 4,2 % in real terms in 2021. The expected rebound in global activity and trade, and the growth impulse of NextGenerationEU, contribute to the brighter outlook for all Member States.

<sup>9</sup> Regulation (EU, Euratom) 2018/1046/EU, 018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, (OJ L 193, 30.7.2018, p. 1-222).

<sup>10</sup> European Commission, 2021, European Economic Forecast Spring 2021, European Economy, Institutional Paper 149.

The economic scenario underlying the 2021 budget is broadly confirmed by the latest estimates:

- Total customs duties to be collected in 2021, net of 25 % collection costs<sup>11</sup> and including the actual United Kingdom payments<sup>12</sup>, are forecast at EUR 17 348,1 million, which represents a decrease of 1,46 % compared with the forecast of EUR 17 605,7 million included in the 2021 budget. The Commission compared the results of the traditional ACOR forecast method (based on the forecast growth rates of extra-EU imports) with the results of the extrapolation method (based on the latest outturn data for collected customs duties, i.e. January – April 2021). The traditional method appears more suitable to capture the nascent economic recovery than the extrapolation method, which – being backward looking – would not capture the expected trend reversal. On the other hand, the traditional forecast is associated with uncertainty about the time and strength of the upswing and when and how much it will stimulate trade. Therefore, it was agreed in the ACOR meeting to use for the revision of the 2021 TOR forecast the average of the traditional and the extrapolation forecasts. This allows to take into account the emerging recovery and to ensure sound budget management.
- The total 2021 EU uncapped VAT base is now forecast at EUR 6 007 338,8 million, which represents a decrease of 0,25 % compared to the May 2020 forecast of EUR 6 022 498,8 million. The total 2021 EU *capped* VAT base<sup>13</sup> is forecast at EUR 5 980 264,0 million, which represents a decrease of 0,15 % compared to the May 2020 forecast of EUR 5 989 163,8 million. The updated forecast takes into account the simplified definition of the VAT base as provided by ORD 2020.
- The total 2021 EU GNI base is forecast at EUR 14 068 521,0 million, which is an increase of 0,43 % compared to the May 2020 forecast of EUR 14 007 758,4 million.

The exchange rates of 31 December 2020 have been used for converting the forecast VAT and GNI bases in national currency into euro (for the eight Member States that are not members of the euro area). This avoids distortions, since this rate is used to convert budgeted own resources payments from euro into national currency when the amounts are called in (as stipulated in Article 10a(1) of Council Regulation 609/2014<sup>14</sup>).

The revised forecasts of TOR, uncapped VAT bases and GNI bases for 2021, as adopted at the 181<sup>st</sup> ACOR meeting, are set out in the following table:

**Revised forecasts of TOR, VAT and GNI bases for 2021 (in million EUR)**

	<b>Customs (75%)</b>	<b>Uncapped VAT bases</b>	<b>GNI bases</b>	<b>Capped VAT bases<sup>15</sup></b>
BE	1 888,4	196 802,8	480 972,5	196 802,8
BG	85,5	31 260,4	63 455,1	31 260,4
CZ	244,0	90 876,1	215 690,5	90 876,1
DK	331,1	124 558,2	333 000,2	124 558,2
DE	3 792,8	1 472 093,3	3 590 155,4	1 472 093,3
EE	32,6	13 680,3	28 103,0	13 680,3

<sup>11</sup> The collection costs in the first two months of 2021 are still 20 % (based on ORD 2014) due to a two-month delay between the collection of customs duties and making them available to the EU budget.

<sup>12</sup> In 2021, the United Kingdom paid in January-February the customs duties collected in November-December 2020.

<sup>13</sup> The ORD 2020 stipulates that for each Member State the VAT base shall not exceed 50 % of GNI. For DAB 4/2021, Croatia, Cyprus, Luxembourg, Malta and Portugal will have their VAT base capped at 50 % of GNI.

<sup>14</sup> Council Regulation (EU, Euratom) No 609/2014 of 26 May 2014 on the methods and procedure for making available the traditional, VAT and GNI-based own resources and on the measures to meet cash requirements (OJ L 168, 7.6.2014, p. 39).

<sup>15</sup> The amounts highlighted in grey result from the capped VAT bases, as explained in footnote 13 above.



IE	229,9	94 872,6	292 535,4	94 872,6
EL	198,6	78 327,3	171 568,7	78 327,3
ES	1 311,2	551 677,5	1 204 982,9	551 677,5
FR	1 619,6	1 133 169,8	2 470 396,1	1 133 169,8
HR	36,9	34 656,2	53 031,3	26 515,7
IT	1 551,0	686 238,0	1 754 774,7	686 238,0
CY	25,2	15 517,10	21 218,1	10 609,1
LV	37,7	13 544,60	30 672,7	13 544,6
LT	98,2	20 474,70	49 349,4	20 474,7
LU	18,9	31 810,70	42 997,7	21 498,9
HU	173,5	56 875,00	140 180,2	56 875,0
MT	12,5	7 431,50	12 381,4	6 190,7
NL	3 111,6	349 683,60	829 752,3	349 683,6
AT	205,4	178 286,20	390 523,5	178 286,2
PL	776,9	256 446,50	523 232,9	256 446,5
PT	160,5	107 689,50	210 431,8	105 215,9
RO	180,0	77 490,00	230 574,9	77 490,0
SI	76,3	22 102,50	48 075,8	22 102,5
SK	78,0	36 792,30	94 497,9	36 792,3
FI	136,5	95 311,40	250 175,9	95 311,4
SE	473,0	229 670,70	535 790,7	229 670,7
<b>EU</b>	<b>16 886,0</b>	<b>6 007 338,8</b>	<b>14 068 521,0</b>	<b>5 980 264,0</b>
<b>UK</b>	462,2			

### 2.3 Adjustment of the collection costs for TOR for the year 2021

For the calculation of the financing of this draft amending budget, TOR (sugar levies and custom duties) correspond to the amounts as adopted at the 181<sup>st</sup> ACOR meeting on 26 May 2021, so forecasted amounts.

From 1 June 2021 (date of the entry into force of ORD 2020) onwards, Member States have to make available TOR taking into account the new 25 % collection costs.

As ORD 2020 applies from 1 January 2021, the collection costs (20% under ORD 2014) for TOR made available to the Commission between 1 March 2021 and 31 May 2021<sup>16</sup> must be adjusted to the increased rate (25%). The amounts concerned are indicated in the table below and have to be returned by the Commission at the same date as the implementation of this draft amending budget, once adopted by the European Parliament and the Council.

#### Budgetary year 2021 (in EUR)

Member State	5% of sugar	5% of custom	Total
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<sup>16</sup> The collection costs in the first two months of 2021 are still 20 %, as explained in footnote 11.

	levies collected from March to May 2021	duties collected from March to May 2021	
	(1)	(2)	(3) = (1 + 2)
BE	—	25 204 913	25 204 913
BG	—	1 479 180	1 479 180
CZ	—	4 661 203	4 661 203
DK	—	5 450 436	5 450 436
DE	121 767	58 175 665	58 297 432
EE	—	602 495	602 495
IE	—	5 615 727	5 615 727
EL	—	3 245 229	3 245 229
ES	—	20 686 972	20 686 972
FR	1 731	27 033 109	27 034 840
HR	—	618 319	618 319
IT	—	28 687 399	28 687 399
CY	—	440 664	440 664
LV	—	676 108	676 108
LT	—	1 868 964	1 868 964
LU	—	263 887	263 887
HU	—	2 956 348	2 956 348
MT	—	220 485	220 485
NL	—	41 683 100	41 683 100
AT	—	3 514 625	3 514 625
PL	—	14 916 781	14 916 781
PT	—	2 504 152	2 504 152
RO	—	3 200 741	3 200 741
SI	—	1 606 963	1 606 963
SK	—	1 501 351	1 501 351
FI	—	2 086 852	2 086 852
SE	—	7 247 587	7 247 587
<b>Total EU</b>	<b>123 498</b>	<b>266 149 255</b>	<b>266 272 753</b>

## 2.4 Forecast of non-recycled plastic packaging waste for 2021

ORD 2020 has established a new own resource based on non-recycled plastic packaging waste; that new own resource is introduced in the 2021 budget.

The forecast of non-recycled plastic packaging waste in the EU was agreed in the 181<sup>st</sup> ACOR meeting on 26 May 2021 and amounts to 8 172 841,5 tons in 2021.

Non-recycled plastic packaging waste results from the difference between plastic packaging waste and the recycled quantity thereof. The forecast of plastic packaging waste is based on the following method: the annual growth rates of GNI in constant prices for 2017/2018-2021 according to the latest available Commission economic forecast are applied to the latest outturn data for plastic packaging waste (2018 for most Member States and 2017 for Greece, Malta, the Netherlands and Slovenia).

Member States' recycling rates are assumed to follow a linear convergence path between the recycling rate based on the latest available outturn data (2017/2018) and the EU recycling target of 50 % to be met by 2025. The increase of recycling rates is capped at 2 percentage points per year to ensure a realistic convergence path. The recycling rate of Member States having already reached or surpassed the target in 2017/2018 is kept constant.

**Forecasts of non-recycled plastic packaging waste for 2021 (in tons)**

	<b>Plastic packaging waste that is not recycled</b>
BE	188 765,8
BG	55 217,4
CZ	113 991,0
DK	155 649,8
DE	1 653 958,1
EE	33 101,3
IE	182 203,7
EL	101 292,8
ES	785 268,6
FR	1 559 059,4
HR	36 471,1
IT	1 166 477,1
CY	7 972,4
LV	26 008,8
LT	24 671,4
LU	17 519,7
HU	231 488,2
MT	10 744,0
NL	256 365,0
AT	185 195,5
PL	611 296,8
PT	248 276,5
RO	220 954,9
SI	20 773,2
SK	65 362,7

FI	86 758,5
SE	127 997,8
<b>EU</b>	<b>8 172 841,5</b>

The Member States contributions from the plastic packaging waste is presented in Table 3 of the accompanying budgetary annex.

## 2.5 Gross reductions in the annual GNI-based contributions

ORD 2020 grants five Member States a gross reduction in their annual GNI-based contributions for the 2021-2027 period. The annual gross reductions amount to EUR 377 million for Denmark, EUR 3 671 million for Germany, EUR 1 921 million for the Netherlands, EUR 565 million for Austria, and EUR 1 069 million for Sweden. These amounts are expressed in 2020 prices and need to be adjusted to current prices by applying the most recent gross domestic product deflator for the Union expressed in euro. The gross reductions are to be financed by all Member States.

The following table provides an overview of the gross reductions and their financing:

### Budgetary year 2021 (in EUR)

Member State	Gross reduction	Percentage share of GNI base	Financing of the gross reduction in favour of Denmark, Germany, Netherlands, Austria and Sweden	Net financing of the reduction in favour of Denmark, Netherlands, Germany, Austria and Sweden
	(1)	(2)	(3)	(4) = (1 + 3)
BE	0	3,42	263 254 981	263 254 981
BG	0	0,45	34 731 448	34 731 448
CZ	0	1,53	118 055 811	118 055 811
DK	- 381 822 181	2,37	182 263 978	- 199 558 203
DE	- 3 717 955 506	25,52	1 965 031 870	- 1 752 923 636
EE	0	0,20	15 381 866	15 381 866
IE	0	2,08	160 116 017	160 116 017
EL	0	1,22	93 906 231	93 906 231
ES	0	8,57	659 534 069	659 534 069
FR	0	17,56	1 352 143 996	1 352 143 996
HR	0	0,38	29 026 096	29 026 096
IT	0	12,47	960 456 533	960 456 533
CY	0	0,15	11 613 492	11 613 492
LV	0	0,22	16 788 363	16 788 363
LT	0	0,35	27 010 849	27 010 849
LU	0	0,31	23 534 316	23 534 316

Member State	Gross reduction	Percentage share of GNI base	Financing of the gross reduction in favour of Denmark, Germany, Netherlands, Austria and Sweden	Net financing of the reduction in favour of Denmark, Netherlands, Germany, Austria and Sweden
	(1)	(2)	(3)	(4) = (1 + 3)
HU	0	1,00	76 726 083	76 726 083
MT	0	0,09	6 776 822	6 776 822
NL	- 1 945 571 377	5,90	454 155 748	- 1 491 415 629
AT	- 572 226 876	2,78	213 748 721	- 358 478 155
PL	0	3,72	286 385 744	286 385 744
PT	0	1,50	115 177 519	115 177 519
RO	0	1,64	126 202 623	126 202 623
SI	0	0,34	26 313 758	26 313 758
SK	0	0,67	51 722 381	51 722 381
FI	0	1,78	136 931 013	136 931 013
SE	- 1 082 673 505	3,81	293 259 117	- 789 414 388
<b>Total</b>	<b>- 7 700 249 445</b>	<b>100</b>	<b>7 700 249 445</b>	<b>0</b>

EU GDP price deflator, in EUR, (Spring 2020 economic forecast) : (a) 2020 EU27 = 105,9188 / (b) 2021 EU27 = 107,2736	
Lump-sum for Denmark: in 2021 prices: 377 000 000 EUR x [ (b/a) ]	381 822 181 EUR
Lump-sum for Germany: in 2021 prices: 3 671 000 000 EUR x [ (b/a) ]	3 717 955 506 EUR
Lump-sum for Netherlands: in 2021 prices: 1 921 000 000 EUR x [ (b/a) ]	1 945 571 377 EUR
Lump-sum for Austria: in 2021 prices: 565 000 000 EUR x [ (b/a) ]	572 226 876 EUR
Lump-sum for Sweden: in 2021 prices: 1 069 000 000 EUR x [ (b/a) ]	1 082 673 505 EUR

## 2.6 Impact on the GNI-based own resource contribution for 2021

The impact of ORD 2020 is calculated based on the 2021 budget (including DAB 3/2021), updated with the latest available data for the GNI base for 2021 agreed in the ACOR meeting of 26 May 2021.

Taking into account the increased rate of collection costs for TOR, the simplified VAT base, and the new own resource based on non-recycled plastic packaging waste, the amount of own resources other than GNI increased by EUR 5 542 760 620. Together with the increase of the other revenues by EUR 55 964 750, this decreases the GNI contribution by EUR 5 598 725 370.

In order to respect the principle of equilibrium applicable to the budget of the European Union, the uniform rate to be applied to the sum of all Member States' GNI has to be recalculated taking into account all other revenue.

The recalculated uniform rate for the GNI-based own resource is fixed as follows:

Uniform rate to be applied on 1 % of GNI = (total expenditure – other revenue – total net amount of TOR – VAT-based own resource – non-recycled plastic packaging waste-based own resource contributions) / 1 % of GNI

Uniform rate:

= (170 557 881 854 – 11 017 622 874 – 17 348 140 020 – 17 940 791 850 – 5 827 020 000) / 140 685 210 000

= 0,841767994730932

The revised GNI-based own resources contributions considering the new uniform rate are set out in the following table:

**Budgetary year 2021 (in EUR)**

Member State	1% of GNI base used for DAB3/2021	Uniform rate of GNI-based own resource (in %) according to DAB3/2021	1% of GNI base ORD 2020 (Agreed ACOR forecast)	Uniform rate of GNI-based own resource (in %) ORD 2020	Difference in the GNI
	(1)	(2)	(3)	(4)	(5) = (3 x 4) - (1 x 2)
BE	4 864 031 000	0,8853881	4 809 725 000	0,8417680	-257 882 824
BG	617 870 000		-12 910 051		
CZ	2 022 941 000		2 156 905 000		24 525 614
DK	3 211 846 000		3 330 002 000		-40 641 271
DE	36 264 852 000		35 901 554 000		-1 887 690 984
EE	280 944 000		281 030 000		-12 182 427
IE	2 666 688 000		2 925 354 000		101 415 424
EL	1 819 032 000		1 715 687 000		-166 338 965
ES	12 257 502 000		12 049 829 000		-709 486 584
FR	25 060 938 000		24 703 961 000		-1 393 653 735
HR	519 832 000		530 313 000		-13 852 580
IT	17 641 425 000		17 547 747 000		-848 376 780
CY	210 748 000		212 181 000		-7 986 606
LV	311 137 000		306 727 000		-17 284 040
LT	485 620 000		493 494 000		-14 554 737
LU	459 919 000		429 977 000		-45 265 954
HU	1 353 414 000	1 401 802 000	-18 304 654		
MT	124 136 000	123 814 000	-5 685 881		

Member State	1% of GNI base used for DAB3/2021	Uniform rate of GNI-based own resource (in %) according to DAB3/2021	1% of GNI base ORD 2020 (Agreed ACOR forecast)	Uniform rate of GNI-based own resource (in %) ORD 2020	Difference in the GNI
	(1)	(2)	(3)	(4)	(5) = (3 x 4) - (1 x 2)
NL	8 010 440 000		8 297 523 000		-107 759 328
AT	4 029 570 000		3 905 235 000		-280 431 679
PL	4 961 645 000		5 232 329 000		11 425 419
PT	2 094 027 000		2 104 318 000		-82 679 141
RO	2 218 111 000		2 305 749 000		-22 983 475
SI	483 776 000		480 758 000		-23 642 838
SK	952 528 000		944 979 000		-47 903 923
FI	2 408 894 000		2 501 759 000		-26 905 537
SE	4 745 718 000		5 357 907 000		308 312 167
<b>Total</b>	<b>140 077 584 000</b>		<b>140 685 210 000</b>		<b>-5 598 725 370</b>

## 2.7 United Kingdom contribution

The United Kingdom contribution is calculated based on Article 148 of the Agreement on the withdrawal of the United Kingdom from the European Union<sup>17</sup> and covers the United Kingdom's share in the outstanding commitments prior to 2021 to be paid in 2021 as well as the United Kingdom's share in the Union's liabilities (such as pensions) and the contingent financial liabilities. The overall contribution of the United Kingdom also includes the payments to be made by the Union to the United Kingdom related to the own resources corrections and adjustments for financial years until 2021.

The United Kingdom contribution is based on the United Kingdom's share<sup>18</sup>, which is calculated as the ratio between the own resources made available by the United Kingdom in the years 2014 to 2020 and the own resources made available during that period by all Member States including the United Kingdom. The United Kingdom share was revised based on the annual accounts for 2020. For 2021, the revised provisional United Kingdom share is 12,358072326018200 %. This share will be adjusted in 2022 in accordance with Article 139 of the Withdrawal Agreement.

The table below presents the composition of the United Kingdom contribution and quantifies the various elements already been included in the April invoice and elements to be included in the September invoice that are known at this stage. The revised amount of the United Kingdom contribution included in the DAB 4/2021 is calculated taking into account the payment modalities specified in Article 148 of the Withdrawal Agreement.

### Revised United Kingdom contribution in 2021 (in EUR)

	Reference to the Article of the	2021
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<sup>17</sup> Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, OJ L 29, 31.01.2020, p. 7.

<sup>18</sup> Referred to in points (a) and (c) of Article 136(3), and in Articles 140 to 147 of the Withdrawal Agreement.

	Withdrawal Agreement	
<b>Total United Kingdom contribution in 2021, of which:</b>		<b>6 821 468 807</b>
<b>1. RAL prior 2021 – due for payment in 2021</b>	Art. 140	7 171 796 760
<b>2. Union's liabilities/Pensions</b>	Art. 142	10 861 762
<b>3. Traditional own resources</b>	Art. 140(4), Art. 49(2)	-406 761 964
<b>4. Own resources corrections and adjustments, of which:</b>		
4.1 <i>Surplus/deficit of 2020</i>	Art.136(3)(a)	-81 962 641
4.2 <i>UK correction updates (2017-2019)</i>	Art. 136	211 363 860
4.3 <i>VAT&amp;GNI balances</i>	Art. 136	81 906 199
4.4 <i>TOR/VAT/GNI corrections</i>	Art. 136	29 686 725
<b>5. Fines</b>	Art. 141	-20 165 707
<b>6. Contingent liabilities, of which:</b>		
6.1 <i>ELM, EFSI, EFSI, loans (Guarantee funds)</i>	Art. 143	-93 304 525
6.2 <i>Financial Instruments</i>	Art. 144	-46 298 550
6.3 <i>Legal cases (incl. fines)</i>	Art. 147	20 654 711
<b>7. ECSC net assets</b>	Art. 145	-36 656 456
<b>8. EIF investment</b>	Art. 146	-6 609 097
<b>9. Equipment and other property related to the provision of safeguards (under Euratom Treaty)</b>	Art. 84(1)	42 481
<b>10. Net financial corrections related to 2014-2020 or previous programme periods</b>	Art. 140	-13 221 459
<b>11. Access to networks/systems/data bases*</b>	Art.34(2), Art. 50 and 53, Art. 62(2), Art. 63(1)(e), Art. 63(2), Art.99(3),Art. 100(2)	136 707
<i>*to be entered in the EU budget as assigned revenues</i>		

## 2.8 Fines and penalty payments

EUR 496 million of fines and penalty payments have been cashed from 1 January to 1 June 2021, of which:

- EUR 433 million of competition fines;
- EUR 2,5 million of other non-assigned fines and penalty payments;

For the two items above, the United Kingdom is entitled to receive its share according to the provisions of Articles 141 of the Withdrawal Agreement.

- EUR 61 million of penalty payments and lump sums imposed on Member States, which did not comply with a judgment of the Court of Justice of the European Union on their failure to fulfil an obligation under the Treaties.

It is therefore proposed to increase the initial forecasts introduced in the 2021 budget (EUR 100 million) by EUR 396 million.

The detail by line is shown in the table below.

<i>EUR</i>				
Revenue line	Name	Budget 2021	DAB 4/2021	New amount
4 2 0	Fines in connection with the implementation of the rules on competition	100 000 000	332 595 848	432 595 848
4 2 1	Penalty payments and lump sums imposed on a Member State	p.m.	60 714 472	60 714 472
4 2 9	Other non-assigned fines and penalty payments	p.m.	2 546 600	2 546 600
<b>Total</b>		<b>100 000 000</b>	<b>395 856 920</b>	<b>495 856 920</b>



## 2.9 European Coal and Steel Community contribution

According to Article 145 of the Withdrawal Agreement, the Union is liable to the United Kingdom for its share in the net assets of the European Coal and Steel Community (ECSC) in liquidation on 31 December 2020 (EUR 183 282 282). The related reimbursement shall be made in five equal annual instalments (EUR 36 656 456) from 2021 to 2025.

These reimbursements are to be fully compensated by the transfer of the United Kingdom share in the net assets of the ECSC to the Union's budget in the form of annual contributions from 2021 to 2025. For this purpose, it is proposed to create a new item (6 6 0 4) in this DAB 4/2021, so as to record the contributions from the ECSC in liquidation aiming at fully compensating the effects of the corresponding reductions accounted for in the contributions to the Union's annual budget of the United Kingdom, as recorded under the item 6 6 0 2.

*EUR*

<b>Revenue line</b>	<b>Name</b>	<b>Amount</b>
6 6 0 4	Contributions from the European Coal and Steel Community (ECSC) in liquidation	36 656 456
<b>Total</b>		<b>36 656 456</b>